

unsafe imports that are on our store shelves. Looking into the eyes of Sara and her children yesterday, looking into the eyes of Sara yesterday, of her friend Sonia, and seeing the look she had about why isn't the government on our side on this—it does matter. We are hearing consumers demand accountability for the unsafe imports that are on our store shelves.

Passing a trade agreement with Peru is not the change Americans demanded last year, that Americans continue to demand now, and that America will continue to demand in the years ahead.

I yield the floor and I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SANDERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

UNITED STATES-PERU TRADE PROMOTION AGREEMENT IMPLEMENTATION ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 3688, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3688) to implement the United States-Peru Trade Promotion Agreement.

The ACTING PRESIDENT pro tempore. Under the previous order, there will be 90 minutes of debate equally divided.

The Senator from Vermont.

Mr. SANDERS. Mr. President, I wish to say a few words as to why I am strongly opposed to the Peru Free Trade Agreement. Some of the points I made last night, but I think they need reiteration. The untold story of the economy in the United States is that the middle class is shrinking, poverty is increasing, and the gap between the rich and the poor is growing much wider. I am not going to stand here and tell you trade is the only reason the middle class is shrinking, but I am going to tell you it is a major reason, and it is an issue we have to deal with.

Mr. President, since George W. Bush has been in office, 5 million Americans have slipped out of the middle class and into poverty, 8½ million Americans have lost their health insurance, median household income for working-age families has gone down by nearly \$2,500, over 3 million good-paying manufacturing jobs have been lost, 3 million Americans have lost their pensions, wages and salaries are now at their lowest share of GDP since 1929,

and we are in a situation now where the wealthiest 1 percent of Americans earn far more income than the bottom 50 percent.

In the last number of years, technology has exploded and worker productivity has increased. Yet in the midst of all of that, the middle class is struggling desperately to keep their heads above water, and poverty is increasing.

I think the question this Senate should be spending a lot of time on answering is why that is happening. Why is it that everything being equal, our kids will have, for the first time in the modern history of the United States, a lower standard of living than we do? Why is it that a two-income family today has less disposable income than a one-income family did 30 years ago? In the midst of all this globalization, all of the explosion of technology, all of the increase in worker productivity, there is more and more economic desperation in the United States, and the only people who are doing very well are the wealthiest 1 or 2 percent of the population.

Now, I think there is a real problem when you have unfettered free-trade agreements which essentially allow corporate America to throw American workers out on the street, move to China, move to other low-wage countries, pay people their 50 cents an hour, \$1 an hour, and then bring their products back into this country. One of the great crises we are facing is we are not building manufacturing plants in the United States and putting people to work at good wages with good benefits. Not only are we losing blue-collar jobs, we are losing white-collar information technology jobs. And millions of parents all over this country are wondering what kind of jobs are going to be available for their kids.

The fact is, these free-trade agreements have not worked. I don't know how many times and what people need to understand that. Just take a look at NAFTA. I remember, because I was a Member of the House during that debate, that the supporters of unfettered free trade told us over and over that NAFTA would increase jobs in the United States. But according to the Economic Policy Institute, NAFTA has led to the elimination of over 1 million American jobs.

Now, why would you want to follow a paradigm, a trade policy approach which has failed in the past? If it has failed time and time again, why would you keep doing the same thing? A manager of a baseball team who has losing records year after year gets fired. That is what happens. The team changes its approach.

Right now, we have a huge trade deficit. It is a growing trade deficit. We are losing good-paying jobs. Pressure on wages is to push them down into a race to the bottom. That is a failed trade policy.

Supporters of unfettered free trade told us that NAFTA would signifi-

cantly reduce the flow of illegal immigration into this country because the standard of living in Mexico would increase. Well, guess what. They were wrong. It didn't happen. As a result of NAFTA, severe poverty in Mexico increased. It didn't go down, it increased, and 1.3 million small farmers in that country have been displaced, with real wages for the majority of Mexicans having gone down. All of this has led to a 60-percent annual increase in illegal immigration from Mexico during the first 6 years of NAFTA alone.

What is happening in Mexico and in the United States and in many other countries today because of unfettered free trade is we are seeing a huge increase in the gap between the people on top and everybody else. I will give just one example. In Mexico today, a poor country, a gentleman named Carlos Slim has just surpassed Bill Gates as the wealthiest person in the world, worth over \$60 billion, in a poor country. Incredibly, because of unfettered free trade and near liberal type of economic policy, Mr. Slim is worth more than the poorest 45 million Mexicans combined. One man has more wealth than the bottom 45 percent, which happens to be 45 million Mexicans. That is one of the manifestations of unfettered free trade.

And the situation is the same with China. I remember the debate about China—we have a great market in China. If we open permanent normal trade relations with China, it will create all kinds of jobs. Nobody believes that is true. We have a huge trade deficit with China, a trade deficit that is growing. People today are doing Christmas shopping. When they go to the stores, the products they will find from A to Z are made in China, not made in the United States. I can tell you that in my small State of Vermont, we have lost 25 percent of our manufacturing jobs in the last 6 years—not just due to trade, but trade has played an important role.

All over this country, people are wondering why corporate America is not reinvesting in Pennsylvania or Vermont or the rest of the country. Well, you know why. They are investing billions and billions of dollars in China, hiring people there at pennies an hour, and then they bring their products back into this country. And people are wondering: How do you become a great economy? How do you lead the world? How do you have good jobs for your kids if we are not producing the goods that our people purchase?

You will remember, Mr. President, that 20, 25 years ago, the largest employer in the United States was General Motors. They produced automobiles. They paid people good wages, they had good benefits, and there was a strong union. Today, the largest employer in the United States is Wal-Mart, with low wages, minimal benefits, and vehemently antiunion.

What I also don't understand, in terms of this trade debate, is who the

Congress thinks it is representing. You go out in my State and all over this country, and people say: We do not like unfettered free trade. If you want to be a political opportunist, and you don't care about the issue, you should vote against the Peru trade agreement. That is what the people want you to do. In fact, according to a recent Wall Street Journal NBC news poll, 59 percent of Republicans—of Republicans—believe unfettered free trade has been bad for the U.S. economy. And a majority of Democrats feel the same way. So I think maybe the Congress has got to start saying to the large corporation CEOs, who in fact do very well by unfettered free trade, that our job is not just to represent them but to represent the working families of this country.

This agreement will simply continue a failed trade policy. And, Mr. President, you know, because you are a new Senator as well, that during the last campaign, many of us raised this issue about unfettered free trade. What we heard from constituents was that they wanted a change in trade policy. They wanted companies to start investing in America, not in China. They are worried about the future.

So the bottom line is, we have a failed trade policy, and before we pass any more trade agreements, I think we need to take a hard look at what past trade agreements have done. I think we need a moratorium on them, and we need to develop new trade agreements. Trade is a good thing, but we need new trade agreements that represent the working families of this country so that we can see our wages and our incomes going up, not going down; our health care benefits going up, not going down; so that we are not engaged in a race to the bottom; so that we are helping poor countries improve their standard of living, while our standard of living is going up and not bringing everybody down.

I hope Members of the Senate will give serious consideration to rethinking our trade policies and voting this Peru trade agreement down.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CASEY). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I urge my colleagues to vote in favor of the United States-Peru Trade Promotion Agreement. Peru is no ordinary country, and the Peru agreement is no ordinary free-trade agreement.

Peru is a vibrant country. It is marked by the diversity of its dramatic and varied landscapes, abundant and rich wildlife, and strong people. Peru provides a home to more than 170 million acres of forest and 84 of the 103 existing ecosystems on the planet. And it

is the birthplace of the Inca civilization, the builders of the incomparable Machu Picchu complex in the Andean highlands. Their descendants live on today in Peru's thriving indigenous communities. This remarkable diversity of landscape, wildlife, and people deserves to be protected, and the strong labor and environmental provisions of the Peru agreement ensure that it will.

Since 1958, when the United States entered into a free-trade agreement with Israel, we have entered into bilateral or regional free-trade agreements with no fewer than 15 additional countries, and since then Democrats have sought to make labor and environmental issues a greater priority in trade agreements. We have had limited success until now.

The Peru agreement is in fact a groundbreaking achievement. Months of complex negotiations involving numerous parties and difficult compromises on all sides resulted in a landmark deal between Congress and the administration. Believe me, this is a very significant and unexpected breakthrough that was achieved not too long ago. We agreed to include strong labor and environmental provisions in all our pending trade agreements beginning with the Peru Free Trade Agreement. That was the understanding, all agreements beginning with Peru—truly a remarkable accomplishment, and we should be proud of what we have achieved. For the first time, the Peru agreement requires the parties to implement the five core International Labor Organization standards. For the first time, the Peru agreement requires the parties to implement seven core environmental treaties. And, for the first time, the Peru agreement makes these labor and environmental provisions fully enforceable by subjecting them to the same dispute settlement mechanism that applies to all other obligations.

Some may criticize the agreement as not going far enough, but these provisions are in fact exactly what many of us in Congress in the labor and environmental movements have been seeking to include in trade agreements for decades. They will benefit workers, they will encourage environmentally sustainable development, and they will ensure the Peru agreement helps to export our fundamental values abroad at the same time that it helps to export our products and services abroad.

The agreement also strengthens our ties with a stalwart ally in an increasingly troubled part of the world. It is an agreement with a leading reformer in our hemisphere, it is an agreement with one of the fastest growing economies in Latin America, and it is an agreement with solid commercial benefits for the United States. Mr. President, 98 percent of Peruvian exports to the United States already receive duty-free treatment under various United States preference programs. This agreement levels the playing field and

allows our exports to enjoy the same benefits in Peru.

To cite one example, more than two-thirds of current United States farm exports to Peru, including delicious Montana beef, I might add, and wheat, will receive immediate duty-free access to Peru under the agreement. All remaining tariffs on Montana and other U.S. agricultural goods will be eliminated within 17 years.

For Peru, this agreement means better conditions for its workers, strengthened protection for its amazingly diverse environment, and greater integration into the world economy. Our neighbors to the south can hope it will represent a first step toward increased prosperity, transparency, and stability for the Latin American region as a whole.

This agreement demonstrates what Congress and the administration can achieve when we work together. I hope we can build on the success of this agreement to heal the wounds of previous battles and I hope we can begin to recreate a consensus for trade liberalization going forward.

But the Peru agreement is only one step in this process. Enactment of a robust and modernized trade adjustment assistance program should be our next focus, certainly before this Congress considers additional free trade agreements. We cannot express support for trade agreements unless we fulfill our responsibility to ensure that trade-displaced workers, whether in manufacturing or the services sector, are able to retrain and retool for the 21st century economy. I look forward to working with my colleagues and with the administration on trade adjustment assistance reauthorization very soon.

For all these reasons, I am pleased to support the United States Peru Trade Promotion Agreement Implementation Act and I urge my colleagues to support it as well.

Mr. President, I suggest the absence of a quorum and ask unanimous consent the time be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MARTINEZ. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MARTINEZ. Mr. President, I rise this morning to speak on the proposed free trade agreement with our friend and neighbor to the south, the country of Peru. This is, I believe, a critical piece of legislation. The approval of this agreement would do wonders to advance United States interests in the region. This is a treaty that should be approved because it is good for our bilateral relations with this very important country, it is good for our overall relations with the region, but most of all we should approve this treaty because it is good for the United States

economy and it is good for Florida's economy, it is good for bilateral relations, and it is good for our overall security posture in the region.

The legislation will make trade with Peru a two-way street, will benefit small and medium-size businesses, and will reduce barriers to services and to investments.

Over two-thirds of total U.S. exports are manufactured goods, so agreements that remove tariff and nontariff barriers in foreign countries benefit all American manufacturers, large and small.

Implementation of this agreement would raise a total of U.S. merchandise exports to Peru by over \$1 billion in the first year. This agreement will add over \$2 billion per year to the U.S. gross domestic product. Further, this agreement contains groundbreaking enforceable core labor and environmental provisions. I know these are important.

It is not just is it good for business, but is this something that is going to also speak about our core values when it comes to labor standards? Is it something that we believe will further the condition of the world as it relates to the environment?

This agreement includes provisions that will enhance both of those. For the first time, future administrations will have the right to take dispute action if labor or environmental issues become a problem. So this will have enforcement mechanisms built in. Never has this been the case with any of our previous trade agreements.

So we have made maybe a marker, maybe a breakthrough in a way that we can have more of these trade agreements come to pass that are good for our country, that are good for our economy and that of our neighbors, but yet give people the sense of assurance that environmental and labor rights are going to be protected.

The first year of implementation will boost Florida's total economic output by \$140 million, create more than 900 jobs in the State I represent, and increase workers' earnings by \$35 million.

In the next decade, it is estimated that Florida's total economic output would increase by more than \$760 million per year. Exports to Peru would support more than 4,900 jobs and increase workers' total personal income by more than \$180 million a year. Fifty-four percent of all U.S. high-tech goods exported to Peru are made in Florida. Twenty-three percent of all U.S. exports to Peru are made in Florida. Florida is the hub for transportation, trade, finance, insurance, and several other professional services provided to companies from all over the world doing business in Peru. More than half of all Peruvians visiting the United States come to Florida.

Peru's democracy has successfully weathered serious security and political challenges to its institutions over the last decade. But it is a democratic

country, and democracy has proven strong, and it has proven that it can, in fact, withstand challenges from all sides.

The decision by newly elected President Alan Garcia to support the United States-Peru TPA marks a turning point in our bilateral relations and political stability by providing for a secure and predictable framework for investors, protections for intellectual property rights and worker rights, and an innovative process for public scrutiny regarding the enforcement of environmental regulations.

Peru's democracy has successfully weathered serious security and political challenges to its institutions by the fact that elections are now repeatedly held and that, in fact, these elections have an outcome that is honored by all of the citizens of Peru which shows us they are a country strongly on the path to democratic institution building.

But a great part of this is also economic success. We cannot just build democratic institutions; the people must believe by following the faith of democracy, by following the path of trade and partnership with the United States they can also better their lives; that, in fact, the false prophets who would preach to the people of Peru that the path to their better future lies in antagonism to the United States, lies in the path of socialism, which has been proven to be a failure throughout the world wherever tried, is to allow them an opportunity to have a successful future by following the path of trade and partnership with the world of beliefs in the globalized economy that all of us can benefit from if it is done right, and if it is done with the right provisions.

The fact is, at this point in time, we are at a significant crossroads in our relations with Latin America. It is an area of the world that as long as things are going fine oftentimes we choose to ignore. But at the current moment in time, we find that in agreeing to this proposal for and altering the trade agreement with Peru that we would be rewarding the democratic institutions that have maintained Peru over the last decade, but also we would be telling them: We want to trade with you. We want to do business with you.

As we enhance the job creation in my home State of Florida, as I have said, as well as in the United States, there is no question that we will also be enhancing job creation in Peru itself; that those people in Peru who aspire to a better life, who aspire to an opportunity perhaps to own their own small business, who aspire to have an opportunity to maybe have more yield and output from their agricultural production, those who benefit from the opportunities of trade and investment will all see the benefits and the fruits of this partnership with the United States.

Now it is good for Peru. But broadly speaking, trade agreements are good

for America, and they are good for our relations with the region. So, therefore, I would say we should approve this agreement today, we should vote in favor of our trade agreement with Peru, but we should not stop there. We should soon also see progress on our trade agreement with Panama and our trade agreement with Colombia.

The template of this agreement, while we have additional protections as well as enforcement methods for labor and environmental rights, is the template that we should use in moving forward the Panamanian Free Trade Agreement and the Colombian Free Trade Agreement. We have no closer friends or neighbors than Panama and Colombia. We have no better friends in the region than the Government of President Uribe, where in partnership with now two consecutive administrations, the United States has taken a bold step forward in saying: We will help you, Colombia, to get rid of the narcoterrorists in your country. We will help you to achieve a better life and a more secure future for your own people by helping you to defeat the people who will sow terror on your streets and in your highways.

In that we have made tremendous progress. As we have done so, we have diminished the amount of illicit and illegal drugs from Colombia that are entering the United States and poisoning our American streets. But we have done more than that. We have also helped them pacify their country. Their country is in a huge turnaround. Their country has tremendous economic growth. The Colombian people can now freely travel the country. That is a result of the good efforts of the United States working in partnership with the Colombian Government.

Colombia has a bright and tremendous future. Forty million people are in the country of Colombia. It is a very diverse country. From the coast of the Caribbean to the Andes and the interior, it is a country of resourceful and tremendously ingenious people who would benefit tremendously from the opportunity of having a free-trade agreement with the United States.

It is a free-trade agreement that will create jobs in America, that will also enhance the opportunity for the same kind of economic growth and job creation that I have talked about with Peru.

The Panama agreement is a much smaller agreement. Panama increasingly has become the trading hub of the Americas through the Panama Canal. And we now know that for more than a couple of decades, Panama has been in charge and has been running its own canal in a very successful way. Now they are enhancing it by expanding it.

The banking system, from Asia to the Americas, seems to be at a crossroads through Panama. It is a country with which we should have a trade agreement. We have one that is there.

It is teed up. We should move it forward. It should be the next one we approve, with Colombia coming along not long after. But these are tremendously important. These countries look to these agreements as a way forward, as a way of enhancing their partnership with our country, and rejecting other ideologies.

You know we might as well talk about this. I think it is very important. On Sunday we had a very startling event occur in the region. Venezuela held an election in what was a proposal from an increasingly authoritarian leader, Hugo Chavez, to become essentially President for life. It was essentially to give him the authority to rule by decree, to declare a state of emergency and essentially suggest that all of the institutions of the country be suspended and he would be the sole ruler.

It also went further, and it said the country would take a socialist path. Now, this is only the latest excess by a leader who is excessive in many ways, his rhetoric and his action. But this latest excess was rejected by the people of Venezuela.

I congratulate the people of Venezuela for taking this bold step in the direction of not a single authoritarian person in charge of the government but one who would allow a more democratic future for the people of Venezuela. The people of Venezuela courageously went to the streets, courageously demonstrated against tremendous oppression and repression by the Venezuelan authorities, and continued to insist that they have a free vote on Sunday, and they did.

They rejected the overreaching of President Chavez. But this ideology that President Chavez preaches, the failed ideology that was preached by Fidel Castro that has taken Cuba on the path of destruction, disaster, and desolation is now trying to be inflicted on the people of Venezuela, where they are now seeing the same kind of food shortage we have seen in Cuba for almost a half a century beginning to manifest itself in a country that is so oil rich it is ridiculous.

The fact is, we see in the path to bilateral trade agreements with the United States a rejection of these failed ideologies, a rejection of the Chavez way, and a welcoming of a partnership with the United States, one that allows independence and democratic institutions to flourish, while at the same time improving the lives of the people of the region.

I urge my colleagues to look forward also to the Colombian and Panamanian trade agreements. They should be coming. We need to proceed to move those forward. They are tremendously important for these countries. Let's engage in this friendship, but let's take care of first things first and today resoundingly approve the free-trade agreement with Peru that is good for America, good for our Nation, but also good for Peru, and for our relations with the region.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SALAZAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SALAZAR. Mr. President, I ask unanimous consent that I be allowed to speak for up to 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SALAZAR. Mr. President, I come to the floor today to make a very simple statement; that is, about our food security in America.

For all of my life—as a farmer and a rancher and attorney general—I have recognized importance of food security for America. On my desk in my Senate office here in Washington, DC, there is a sign that says: “No Farms, No Food.”

It is important for all of us in this Chamber to recognize the importance of the food security of the United States of America by moving forward with the passage of the 2007 farm bill.

As the Presiding Officer well knows, the Agriculture Committee, under the leadership of Senator HARKIN and Senator CHAMBLISS, worked very hard—worked for weeks and weeks and months and months—to come up with what is a very good farm bill. It is a very good farm bill that invests in the nutritional needs of our country. It is a very good farm bill that helps us unveil the clean energy future of America and helps us grow our way to energy independence. It is a very good farm bill that invests such as no other farm bill ever has in the conservation opportunities we need to protect our land and our water in America. It is a very good farm bill in all respects, and it is paid for. It is a farm bill that is paid for.

We have been on this farm bill now in the Senate for the last several weeks, since before Thanksgiving, and have not been able to move ahead. The majority leader, Senator REID, has propounded a proposal where we would move forward with a set of discrete amendments, giving the Republicans 10 amendments, having the Democrats have 5 amendments and 2 additional amendments would be considered. It seems to me that is a very eminently fair proposal, and I would ask my colleagues, both on the Democratic side and the Republican side, to stand behind that procedural framework so we can get onto the farm bill and get this farm bill across the finish line.

It is my view the people of America deserve no less from this Senate, and I am very hopeful we will be able to come to that agreement very soon.

RECESS

Mr. SALAZAR. Mr. President, I ask unanimous consent that all time be

yielded back and that the Senate now stand in recess until 2:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, the Senate, at 12:26 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. CARPER).

The PRESIDING OFFICER. The Senator from Vermont is recognized.

UNITED STATES-PERU TRADE PROMOTION AGREEMENT IMPLEMENTATION ACT—Continued

Mr. LEAHY. Mr. President, I ask unanimous consent that the vote that was scheduled for 2:15 occur at 2:30, and the 15 minutes between now and 2:30 be equally divided in the usual fashion.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mrs. BOXER. Mr. President, I rise in opposition of the Peru Trade Promotion Agreement. While the Peru Trade Promotion Agreement includes important labor and environmental provisions, I do not believe that it represents a large enough departure from the failed NAFTA-style free trade model to merit my support.

Instead of fast-tracking new trade agreements through Congress, we need to take a deep breath and assess the impact of our failed trade policies and take the country and our economy in a better direction.

We should focus on fixing the problems created by NAFTA and other trade agreements, extending trade adjustment assistance for displaced workers, reinvigorating our domestic economy, and creating jobs for hard-working Americans.

The inclusion of labor and environmental protections in the Peru deal is an important and positive development, but without an administration willing to enforce these provisions, the promises ring hollow.

The Bush administration has an abysmal record when it comes to enforcing trade regulations, and it is not a stretch of the imagination to assume that their unwillingness to enforce regulations will extend to Peru.

Without strong enforcement of these important labor and environmental provisions, they are nothing more than words on a piece of paper.

Already we are seeing the Peruvian government backtrack on the spirit of the environmental provisions included in the agreement. International environmental groups have documented a number of recent actions taken by Peru's government that provide a serious cause for alarm.

As an example, in September, a law was proposed to remove half a million acres from the Bahuaja-Sonene National Park and devote the area to oil and gas exploration and exploitation. The Superintendent of Peru's natural protected areas determined that excluding the zone from the national park would violate both the Peruvian